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Held at Headquarters, New York, on Tuesday, 2 November 1999, at 10 a.m.

Chairman: Mr. Sial (Vice-Chairman) ..... (Pakistan)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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In the absence of Ms. Wensley (Australia), Mr. Sial (Pakistan), Vice-Chairman, took the Chair.

The meeting was called to order at 10.05 a.m.

Agenda item 123: Joint Inspection Unit (*continued*) (A/C.5/54/L.13)

Draft decision A/C.5/54/L.13

1. **The Chairman** said draft decision A/C.5/54/L.13, entitled "Joint Inspection Unit", had been adopted by consensus in informal consultations.

2. *Draft decision A/C.5/54/L.13 was adopted.*

Agenda item 127: Report of the Secretary-General on the activities of the Office of Internal Oversight Services (*continued*) (A/54/393)

3. **Mr. Burleigh** (United States of America) said that the fifth annual report of the Office of Internal Oversight Services (OIOS) (A/54/393) again demonstrated the wisdom of the Fifth Committee's decision to recommend the establishment of an independent internal oversight mechanism in the United Nations. Indeed, the establishment of OIOS had been the single most important reform measure taken by the General Assembly in the last five years. The Office's work had improved the Organization's functioning and had saved millions of dollars. The high implementation rate of OIOS recommendations was the Office's most important performance indicator, since it showed that managers took the work of OIOS seriously. Other impressive indicators included the $70 million in savings and recoveries over the last five years and the fact that OIOS had served as a model for internal oversight throughout the United Nations system. Moreover, OIOS reports had set a new standard of clarity and readability for United Nations documents. Their concise formats, executive summaries and numerous graphic illustrations had served as a model for the reports of other United Nations entities. In view of the Organization's changing needs, he welcomed the inclusion of human resources management and information technology management among the Office's priority areas for review.

4. With respect to the double payments made by the United Nations Observer Mission in Angola (MONUA), referred to in paragraph 18 of the Office's report, he asked whether the overpayment had been recovered and what actions had been taken to prevent recurrences. He was pleased that the Office's investigation of fraudulent activities in the United Nations Mission in Bosnia and Herzegovina (UNMIBH) had resulted in better internal controls and savings of about $1.25 million, and asked whether additional savings could be achieved through the application of similar internal control improvements in other missions. With respect to the Office of the United Nations High Commissioner for Refugees (UNHCR), he welcomed the development of a checklist for financial monitoring of implementing partners, and asked for more information on its status. The example of unsatisfactory programme implementation given in paragraph 47 of the OIOS report was of concern to his delegation. He asked how UNHCR had improved its project monitoring to minimize those problems.

5. He agreed with OIOS that further progress had been made in the area of procurement reform (A/54/393, para. 62), but emphasized that continuous improvement was needed in that vital area. With respect to the reference, in paragraph 96, to the overcharging of various departments and individuals for long distance telephone service, he asked what steps had been taken to implement OIOS recommendations in that area.

6. Currently, programme evaluation was not carried out systematically even though it was required by the Organization's planning and budgeting rules. The report on ways in which the full implementation and the quality of mandated programmes and activities could be ensured (A/54/117) had represented an important step towards improving understanding of that issue, and he was disappointed that it had not been properly considered by the Committee for Programme and Coordination at its most recent session. He fully agreed with the statement in the report that, in the absence of a clear sense of where a programme was going, it was not possible to determine whether it had arrived at its destination. Lastly, he expressed his Government's deep appreciation for the work of the Under-Secretary-General for Internal Oversight Services during his term of office.

7. **Mr. Barnwell** (Guyana), speaking on behalf of the Group of 77 and China, said that he was deeply concerned about a news report, posted on the United Nations Foundation web site, concerning a press conference given by the Under-Secretary-General for Internal Oversight Services. The news report singled

out five States members of the Group of 77, indicating that they had often opposed suggested reforms and that they opposed changes to their "pet projects". The Group strongly and categorically rejected such unfounded accusations. The United Nations Foundation should act responsibly by disclosing its sources of information in the news reports it posted.

8. Also unacceptable was the fact that media reports and the annual report of OIOS (A/54/393) described the role of Member States in the decision-making process as "micromanagement". No Secretariat official should make such subjective and misleading remarks, which tarnished the image of international civil servants and undermined the good relationship between Member States and the Secretariat. Under the Charter, Member States provided the resources for the United Nations and had an important role to play in ensuring that those resources were used effectively and efficiently. The Group of 77 and China reaffirmed their commitment to reform, which, however, must be implemented in accordance with the decisions of the General Assembly. He asked for a written response from the Secretariat concerning the allegations made against members of the Group and for written replies to the questions raised during the discussion of the annual report of OIOS.

9. **Mr. Odaga-Jalomayo** (Uganda) said that, at the outset, he wished to reaffirm his delegation's full support for OIOS and its desire to see the Office's mandate implemented effectively, in accordance with General Assembly resolution 48/218 B. He associated himself with the statement made by the representative of Guyana on behalf of the Group of 77 and China.

10. The Under-Secretary-General had painted a rosy picture of the work of OIOS since its inception. However, Uganda was not convinced that the value of the Office's achievements was commensurate with the disproportionately high level of resources it had expended thus far. While budget cuts had been made in the economic and social sectors, the Office's resources had been steadily increased. Consequently, the Office should have done better in terms of programme delivery. Moreover, the Office had not carried out the functions stipulated in paragraph 5 (c) of General Assembly resolution 48/218 B in an effective and balanced manner. Too much emphasis had been placed on auditing and investigation, at the expense of programme evaluation and monitoring. The Office should ensure the widest possible geographical distribution in its recruitment of qualified staff, particularly in the areas of inspection, investigation and evaluation, and should endeavour to win the confidence of all stakeholders, especially Member States.

11. He asked for clarification of a number of statements in the annual report of OIOS (A/54/393), particularly the one in the fourth paragraph of the preface; the reference to attacks on the Office's work in the fifth paragraph of the preface; and the statements to the effect that an overly critical attitude of many Member States towards the United Nations bureaucracy had resulted in numerous examples of micromanagement by the legislative organs (preface, penultimate paragraph), that cooperation between the Department of Peacekeeping Operations and the Department of Public Information on the information aspects of missions had been problematic but was currently functioning reasonably well (para. 30), that the staff must be willing to accept the major changes necessary to bring the Organization into line with the financial realities and professional demands facing it in the next millennium (para. 73) and that the Office of the Prosecutor of the International Tribunal for the Former Yugoslavia had established a mechanism for sharing processes, modalities and systems with the Prosecutor of the International Criminal Tribunal for Rwanda (para. 88).

12. While he did not object to the growing tendency of some senior United Nations officials to discuss the Organization's work with the press, he deplored the use of press briefings to attack certain Member States. All Secretariat staff must abide by the relevant rules and regulations, including the provisions of the Charter. One media report had stated that, during a press briefing, the Under-Secretary-General for Internal Oversight Services had accused some Member States, including Uganda, of thwarting the Secretary-General's efforts to cut staff, eliminate waste and streamline the Organization. However, Uganda's commitment to the reform of the United Nations was total and unequivocal, and he could not comprehend the aspersions cast on that commitment.

13. Uganda had been one of the architects of General Assembly resolution 41/213, which had led to the establishment of OIOS despite the doubts of many other Member States. The role of the Secretary-General and his staff was to carry out reforms as instructed by Member States. He hoped that the Secretary-General would ensure order, discipline and integrity in the

Secretariat, including OIOS. At the very least, no United Nations staff member should make provocative statements concerning Member States.

14. **Mr. Sulaiman** (Syrian Arab Republic) expressed his delegation's support for the statement made by the representative of Guyana on behalf of the Group of 77 and China. He had some comments on the report of the Secretary-General on the activities of the Office of Internal Oversight Services (A/54/393). Firstly, his delegation considered that the preface painted an exaggerated picture of the actual state of internal oversight in the Organization over the past five years. Secondly, the issue of the independence of the Office of Internal Oversight Services, referred to in the report, should be considered in the context of the review to be conducted by the Fifth Committee under the item on the implementation of General Assembly resolution 48/218 B. Thirdly, with regard to the reference in paragraph 76 of the report to contractual employment on a local basis in the language services, the resolution on the employment of retirees did not make the same stipulation. His delegation would like the recruitment of retirees to be on as broad a geographical basis as possible; to limit such recruitment to locals would not serve that end.

15. The Under-Secretary-General for Internal Oversight Services had given a press conference in which he had accused Member States of impeding reform efforts in the United Nations. His delegation wished to register its strongest reservation to that statement, which ran counter to its principles and the standards of the international civil service and constituted intervention in the political work of States Members of the Organization. The Under-Secretary-General's comments constituted a dangerous practice and intervention in the legislative work of Member States, as well as being a further example of the numerous instances when the Office of Internal Oversight Services had exceeded its competence.

16. His delegation would have liked the outgoing Under-Secretary-General's work to have reached a satisfactory and positive conclusion. Unfortunately, however, the conclusion was negative. He hoped that the new Under-Secretary-General would benefit from the lessons and mistakes of the past five years of the Office's work.

17. **Mr. Moktefi** (Algeria) said that he fully supported the statement made by the representative of Guyana on behalf of the Group of 77 and China, as well as the statements made by the representatives of Uganda and the Syrian Arab Republic. At the General Assembly's forty-eighth session, when the Fifth Committee had decided to recommend the adoption of the resolution establishing OIOS, it had done so under the chairmanship of Algeria. Currently, Algeria's main concern was to clarify the provisions of the resolution so that OIOS could perform its functions effectively and enjoy full legitimacy.

18. In his preface to the annual report of OIOS, the Under-Secretary-General expressed disappointment at the reaction of some Member States to the work of his Office and at his failure to win their trust through dialogue. However, the problem might have been that the Under-Secretary-General had not properly understood the concerns of those Member States and that the dialogue had been unilateral rather than objective. The reference to "numerous examples of micromanagement by the legislative organs" should be clarified. Some of the problems to which the Under-Secretary-General referred were problems among Member States in which OIOS was not directly involved.

19. He regretted the remarks which the Under-Secretary-General had made to the press and the news reports to which they had intentionally or indirectly given rise. Those reports were examples of manipulative disinformation based on gratuitous accusations. He did not understand how the Under-Secretary-General could complain of opposition by Member States, since the Office's recommendations did not have to be approved by Member States before they were implemented, and the vast majority of those recommendations had already been acted upon. He reiterated Algeria's strong support for the reform process launched by the Secretary-General.

20. **Mr. Fox** (Australia) said that he strongly supported the work of OIOS, whose recommendations and reports had been extremely valuable. He associated himself with the positive comments made in the discussions on the activities of OIOS.

21. **Mr. Paschke** (Under-Secretary-General for Internal Oversight Services), replying to the questions just posed by delegations as well as those raised at the 19th meeting, said that he did not agree with the representative of Pakistan that OIOS overemphasized the audit function, which, in his view, was the

foundation of oversight. At the outset, the Office's staff had included few inspectors or evaluators and almost no investigators, but he considered that the right balance had been achieved since then.

22. Effective programme delivery and implementation of legislative mandates were first and foremost the responsibility of department heads. However, in line with its monitoring and evaluation functions, OIOS assessed in the biennial programme performance reports the degree of implementation of the outputs and services identified in the programme budgets. It also indicated the extent to which programme activities had been modified, and detailed the respective roles of the legislative bodies and the Secretariat in shaping those modifications. Where there was reason to suspect that programme delivery was not sufficiently effective and that there was potential for non-attainment of objectives or waste of resources, OIOS would conduct an inspection of the organizational unit concerned, focusing on the three primary areas of programme delivery, resource management and management control. In the event that the suspicions proved to be well-founded, it would recommend practicable solutions and corrective measures. Inspections were also carried out in order to assess the progress made in enhancing the administrative efficiency of organizational units in the context of the Secretary-General's reforms. The Office's monitoring and evaluation activities were fully reflected in its annual report.

23. With regard to the observations on the evaluation reports of OIOS contained in the report of the Committee for Programme and Coordination (A/54/16), he said that it would not be appropriate for him to reopen debate on issues that had been the subject of a decision by an intergovernmental body.

24. The assertion in paragraph 22 of the Office's annual report that some officers of the International Police Task Force in the United Nations Mission in Bosnia and Herzegovina had cheated on the language test was based on interviews conducted by the OIOS resident auditor and on documentary evidence including a memorandum on the subject from the Commissioner of the Task Force.

25. The recommendation in paragraph 29 of the report that a sum of $13 million, for which the United Nations Observer Mission in Angola (MONUA) was seeking reimbursement from the Government of the host country, should, in the event of non-recovery, be offset against any claims presented by the Government was in conformity with established practice. In General Assembly resolution 51/12 on the financing of the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia, the United Nations Preventive Deployment Force and the United Nations Peace Forces headquarters, the Secretary-General had been requested to withhold settlement of claims submitted by the Governments concerned pending reimbursement of the amounts owed to the Combined Forces. The recommendation in respect of MONUA had been accepted by management, and negotiations with the Government of the host country were under way with a view to finding a mutually acceptable means of recovering the sum involved.

26. Regarding the recommendation that the legal adviser to the Registrar of the International Criminal Tribunal for Rwanda should be reassigned because of his involvement in the exchange of private funds with defence counsel, he said that the ad hoc internal panel established by the Registrar had confirmed the facts of the case as established by OIOS, but had concluded that the legal adviser should not be transferred. That conclusion was somewhat surprising since the legal adviser had previously been reprimanded by his supervisor because of improper conduct relating to payments to defence counsel. The Registrar's panel had consisted entirely of Registry staff, some of whom had been witnesses to the matter under investigation. Moreover, the Registrar had provided his staff with his comments on the report of OIOS on the financing of the Tribunal, thus making known his own views on the matter in advance of the internal investigation.

27. An administrative instruction on the employment of retirees (ST/AI/1999/5) had been issued on 27 May 1999. It took fully into account the provisions of General Assembly decisions 51/408 and General Assembly resolution 53/221.

28. The procedures for accounting for cost savings and financial recoveries were set out in financial regulation 7.1. Responsibility for implementing those procedures lay with the Controller, and any additional questions on the issue should therefore be addressed to him.

29. Turning to the issues raised by the representatives of Guyana, Algeria and Uganda, he said that he

rejected categorically the allegation that he had described certain members of the Group of 77 and China in the terms reported. He was dismayed at the implication that he should be held accountable for the content of the articles that had appeared in the media following his press conference.

30. He did not agree with the representatives of Uganda and the Syrian Arab Republic that he had overstated the achievements of OIOS over the past five years. While he did not dispute the right of Member States to challenge his views, he considered it legitimate for a Secretariat official to describe his tenure as a success.

31. He said that he would also be providing written responses, as requested by the representative of Guyana, speaking on behalf of the Group of 77 and China.

32. **Mr. Darwish** (Egypt) expressed satisfaction that the Under-Secretary-General had provided clarification regarding the report posted on the United Nations Foundation web site, although it was regrettable that he had not done so in a more timely fashion. He requested that OIOS should investigate how such a misleading report had come to be posted on the site.

33. **Mr. Moktefi** (Algeria) asked why, if the report was indeed inaccurate, the Under-Secretary-General had not issued a denial.

34. **The Chairman** said that, in order to allow time for the Under-Secretary-General to respond to the points raised in writing, the Committee would conclude its general discussion of the agenda item at a later date and that the Bureau would arrange an additional meeting for that purpose.

Other matters

35. **Mr. Sulaiman** (Syrian Arab Republic) said that delegations had noted when placing telephone calls to Secretariat officials or staff members in United Nations offices that such persons sometimes failed to reply to calls or were not in their offices. When voicemail was left on their machines, they did not reply, and sometimes they enquired as to the rank of the caller, as though rank was the issue. He asked the Chairman of the Committee to notify Secretariat officials that they should take such calls seriously. Turning to the Committee's programme of work for the week, he proposed that the meetings on the proposed programme budget should be moved to the following week. He also asked for a meeting in the programme of work for the following week to be devoted to the calendar of conferences.

36. **The Chairman** said that the programme of work had been prepared with a view to making the best possible use of the Committee's time. If the time allotted for discussion of any section of the programme budget proved to be insufficient, the programme of work would be revised. The Bureau would endeavour to accommodate the request of the representative of the Syrian Arab Republic concerning agenda item 124, Pattern of conferences.

The meeting rose at 11.25 a.m.